UNIVERSITY OF SASKATCHEWAN

CROWN FOUNDATION

FINANCIAL STATEMENTS

For the Year Ended April 30, 2010

Provincial Auditor Saskatchewan

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AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the University of Saskatchewan Crown Foundation as at April 30, 2010 and the statements of operations and changes in net assets and cash flows for the year ended April 30, 2010. The University of Saskatchewan Crown Foundation's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the University of Saskatchewan Crown Foundation as at April 30, 2010 and the results of its operations and its cash flows for the year ended April 30, 2010 in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
June 11, 2010

Brian Atkinson, FCA
Acting Provincial Auditor

Statement 1

UNIVERSITY OF SASKATCHEWAN CROWN FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT APRIL 30

	2010	2009
Assets		
Cash	$ 14,580	$ 14,499
Other assets	99,970	89,110
	$ 114,550	$ 103,609
Net assets (Statement 2)	$ 114,550	$ 103,609

On behalf of the Board of Trustees

Chairperson of the Board

Secretary of the Board

(See accompanying notes to the financial statements)

Statement 2

UNIVERSITY OF SASKATCHEWAN CROWN FOUNDATION

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED APRIL 30

	2010	2009
REVENUES		
Donations	$ 13,739	$ 9,720
Investment income	3,105	3,826
	16,844	13,546
EXPENSES		
Insurance policy premiums (Note 3)	5,903	5,773
	5,903	5,773
Excess of revenues over expenses	10,941	7,773
Net assets, beginning of year	103,609	95,836
Net assets, end of year - to Statement 1	$ 114,550	$ 103,609

(See accompanying notes to the financial statements)

UNIVERSITY OF SASKATCHEWAN CROWN FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED APRIL 30

	2010	2009
Cash flows from operating activities		
Interest received	$ 81	$ 304
Net increase in cash	81	304
Cash, beginning of year	14,499	14,195
Cash, end of year	$ 14,580	$ 14,499

(See accompanying notes to the financial statements)

THE UNIVERSITY OF SASKATCHEWAN CROWN FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS

April 30, 2010

1. Authority and Purpose

The University of Saskatchewan Crown Foundation (Foundation) is incorporated under *The Crown Foundation Act* pursuant to Order in Council 842/94 effective December 15, 1994. As an agent of the Crown in the right of the province, donations to the Foundation qualify under the *Income Tax Act* for a tax credit in the case of individuals and for a deduction in the case of corporations.

The purpose of the Foundation is to receive gifts of real and personal property, including money, and to provide grants and transfers of real and personal property to the University of Saskatchewan (University) for the purpose of supporting and promoting its education or research activities. The Foundation began operations on December 20, 1995.

2. Significant Accounting Policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. The following accounting policies are considered significant:

a) Donations and Pledges

Donations are recorded as revenue in the fiscal period in which they are received. Gifts in Kind are recorded at fair market value on the date of their donation.

Pledges made by donors for donations to be received in future years are not recorded in the financial statements.

b) Cash Surrender Value of Life Insurance Policies

Where there is a cash surrender value of an insurance policy owned by the Foundation that value is recognized in 'Other Assets'. The value is provided by the insurance company based on the terms and conditions of the corresponding insurance policy.

c) Financial Instruments

The Foundation's financial instruments consist of cash and other assets and are classified as held-for-trading. Held-for-trading financial assets are measured at fair value. Changes in fair value are recognized in the Statement of Operations and Changes in Net Assets.

3. Life Insurance Premiums

Various individuals have named the Foundation as the owner and beneficiary of their life insurance policies. Those individuals pay the premiums on the life insurance policies directly to the insurance companies. The Foundation recognizes these payments as donation revenue and recognizes insurance costs as an expense in its Statement of Operations and Changes in Net Assets.

4. Related Party Transactions

These financial statements include transactions with related parties. The Foundation is related to all Saskatchewan Crown agencies such as ministries, corporations, boards and commissions under the common control of the Government of Saskatchewan. Also, the Foundation is related to non-Crown enterprises that the Government jointly controls or significantly influences.

The University of Saskatchewan is related to the Foundation. The Foundation has negotiated a service agreement with the University to provide certain administrative and management services to the Foundation without charge; therefore, no provision for such costs is reflected in these financial statements.

Other transactions with related parties and amounts due to/from them are described separately in the financial statements and the notes thereto.

5. Future Changes in Accounting Policies

In March 2010, the Public Sector Accounting Board issued an exposure draft "Financial Reporting by Government Not-for-Profit Organizations". Until new direction for financial reporting for not-for-profit organizations in the public sector is approved, the Foundation will continue to apply current accounting standards.

The Foundation continues to monitor the developments in this area and evaluate the implications of the potential changes in financial reporting standards.